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Issues in Vendor/Library Relations -- The RFP Process ... A Book Vendor's Musings

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For the **Marriott Library**, although our total serials list is much bigger, actual paid subscriptions have hovered around the 5,000 title mark. So 720 is a big number. It's a substantial increase in the number of subscriptions. One would expect a proportional increase in the number of serial uses, whatever the source of the new titles.

Our neighbor, the **University of Nevada at Reno**, says their use of the **Elsevier** all-titles package splits 60%/40% when looking at browses of previously non-subscribed titles as compared to browses for titles which were held in print. If you check actual downloads of articles, it reverses. 30% of the downloads are from titles which were not held in print and 70% are from titles which were in the print collection. So how would this look on our campus?

We probably had more **Elsevier** titles than **Reno**, so we'd need to find a "Big Deal" campus similar to ours — an RU 1, with a health sciences library — whose expenditures ranked, as do ours, in the 40s in the ARL rankings. Then we could look at the number of uses of our present **Elsevier** subscriptions and, using **Reno's** or other's findings, project what use of the new titles might look like.

What would the 720 titles be costing us? This is harder.

We just finished a publisher-blind cancellation based on low use/high cost. Of the $383,000 we cut, about $100,000 turned out to be from **Elsevier**. We couldn't have cut those titles had we signed a "Big Deal," so perhaps it is fair to count this sum towards the cost of the 720 new titles. As well as dollars for **Elsevier** titles which were canceled in other years since 1996.

Had we signed a "Big Deal," we would have been paying an annual price increase. Some percentage of the increase since 1996 could be attributed to the new titles. We were sending **Elsevier** $750,000 in 1996 — and are sending about the same amount this year.

I have no idea what kind of cap we could have negotiated, but 4% of $750,000 would be around $30,000 a year. 7% would be $50,000. We've had expenditures capped for 8 years, so that's a tidy additional sum we would be paying. Part of that would be for titles we find good value for the money, so you wouldn't count the whole figure — but some part of it.

On the other hand, the $100,000 in **Elsevier** titles we cut this year and the amounts canceled in other years had to be cut — so if we hadn't cut these, we would have cut other titles — almost by definition titles from less expensive publishers (since in our studies **Elsevier** was then the most expensive per-title major publisher on our list). So the total number of subscriptions lost from **Marriott's** list would be higher than it is. And surely the loss of those titles ought to be weighed against the gain in new **Elsevier** titles.

What would a "Big Deal" be costing us currently? I don't know. But there are at least four sorts of costs to consider:

— dollars we would have paid and would be committed to paying in the future for annual increase costs

— dollars we would be paying for titles we would have liked to have cut

— we would not have the new journals purchased with dollars realized from cutting expensive titles

— we would not have some of the non-**Elsevier** serial titles we have retained which would have had to be used to make up the budget shortfalls requiring cuts.

"Big Deals" do have incremental costs. Those incremental costs may start out as small ones. But they don't stay small.

Sometimes such offers are true bargains — when they cover material the library truly wants to purchase or when the titles are so inexpensive that bundling them produces a lower overall cost than choosing title by title (think **MUSE** and **BioOne**.). And sometimes it is just a temptation to spend more money than you really planned to on something that you would not have otherwise have bought.

Spending yourself into the poor house....

Issues in Vendor/Library Relations — The RFP Process ... A Book Vendor's Musings

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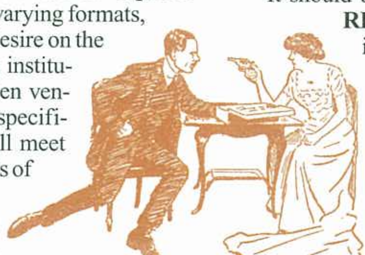
In varying degrees, I've had the opportunity to be involved in the **RFP** (**Request for Proposal**) response process at **YBP** since 1995. Over the years I've seen **RFPs** from libraries take shape in numerous formats ranging from one-page questionnaires (often referred to as **RFIs — Request for Information**) to hundred-page, multi-section, chock- full of "legalese" documents. Despite the varying formats, one constant remains: a desire on the part of the **RFP**-issuing institution for a thorough written vendor proposal addressing specifically how the vendor will meet the specified service needs of the library.



While there is ample practical and helpful information available today for institutions regarding how to write and evaluate an effective **RFP**, one area that often gets less attention, and might otherwise prove interesting to libraries, is what goes on behind the scenes at the vendor in preparing to respond to an **RFP**. In most instances, the vendor's **RFP** response is the culmination of many hours of work by numerous individuals and departments. Naturally, depending on the type of vendor, whether it be a book, journals or integrated library systems vendor, the approach to responding to the **RFP** will vary dramatically.

It should be noted upfront that just as the **RFP** is a critical document for the issuing institution in selecting the right vendor for a particular service, it is equally important for the financial health of any vendor that, based on its ability to deliver the requested services, chooses to respond. A well-thought-out, organized **RFP** response and proposal demands substantial hours of vendor staff time for research and preparation. Whether or not a bidding vendor is ultimately awarded the institution's business, the cost to the vendor in terms of materials (assembling exhibits, paper, shipping) and staff time can often run into a significant expense. More important, though, is the financial impact on the vendor, positive or negative, that rides on whether or not the vendor is awarded the institution's business. For example, if a vendor knows that it has been awarded a significant amount of new business by an institution via the **RFP** process, the anticipated revenue from this new business can be used to justify the cost of new product or service development. The opposite can hold true as well, for if a vendor experiences a string of **RFP** "losses", the vendor may be forced to rethink the development or introduction of new services. Obviously, the need for the vendor to put its best foot forward with a thorough and well written **RFP** response has high stakes for both the **RFP** author and responder.

Once the **RFP** is received by the vendor, the process of assessing how, or whether, the vendor will respond begins. First, the vendor must consider several important questions. Among them: Are the services the bidding institution is seeking consistent with the vendor's service

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competencies? What are the determining factors the **RFP**-issuing institution will consider in which one or multiple vendors will be selected (price, service, vendor innovations, references)? Does the institution intend to issue a single vendor award (sole source) or award the business to multiple vendors? What are the estimated annual expenditures to be expected from the institution, should the vendor be awarded the business? Another area vendors often scrutinize is how questions are *worded*. There are instances where the way certain **RFP** questions are posed might preclude a vendor from bidding. An example of such wording would include a question indicating that a particular vendor offering is "required" as opposed to "preferred" or "desired." A vendor could easily conclude that an inability to offer the "required" item would eliminate the vendor from consideration and thus discourage submission of an **RFP** response. Lastly, and perhaps the most important vendor consideration, should it be awarded the business/contract, will it be profitable? Should the vendor be selected, will the resulting relationship with the institution be a "win/win" scenario for both parties? Ensuring customer satisfaction and vendor profitability are both critically important. Based on these considerations, and others too numerous to mention, a vendor may decide to issue a "no bid" response to the **RFP**. This response would be submitted to the bidding authority (generally the institution's purchasing department or library) usually stating the reason for declining to bid.

Once a decision has been made by the vendor to respond to an **RFP**, the vendor often takes a holistic approach to crafting a response. A central point person (the bid administrator) assumes responsibility for organizing the response, assembling exhibits that support responses to questions, providing references and ensuring that the response is prepared and delivered on schedule. Supporting the bid administrator is a team of "specialists" who help formulate responses to **RFP** questions based on their areas of expertise. For example, an **RFP** that includes questions pertaining to monographic serials would require the input of the Serials/Continuations manager. Similarly, an **RFP** that requests that the vendor state its technical service capabilities (cataloging, physical processing) would need to draw input from the internal specialist(s) in these areas. Once this information is collected by the administrator (and this can require several face-to-face meetings), the information is plugged into the **RFP** response. Vendors try to be careful not to introduce their own internal terminology or acronyms into their responses as some of the same verbiage may be used already within the institution with differing connotations.

So what can **RFP**-issuing institutions do to help vendors deliver a complete and well-thought-out proposal? First of all, recognizing that Purchasing departments are integral parts of the institutional bid process, it is important to remind Purchasing that librarians are purchasing a service, not a good. This is made clear in **Frances Wilkerson's** and **Connie Capers Thornson's** terrific book, *The RFP Process-Effective Management of the Acquisition of Library Materials* (Libraries Unlimited, Inc., 1998). Full service vendors prefer to have the opportunity to be evaluated on their ability to offer solutions and services that address the library's needs rather than to be evaluated primarily on price.

One recent trend worth noting is the shortened length of time vendors are provided to respond to **RFPs**. Ideally, a vendor should be permitted a minimum of 30 to 45 days (or more) to prepare and submit an **RFP** response from the date the vendor *receives* the **RFP**. A recent sampling of **RFP** due dates required written vendor responses within two to three weeks of the **RFP's** *issue* date (usually the mailing or Web posting date of the document). Such a limited timeframe does not permit the vendor to provide its best possible response, which ultimately poorly serves both the issuing institution and the vendor. The timeframe conundrum can also be compounded by the fact that on occasion, there may be multiple **RFPs** being concurrently prepared by the vendor. Given the importance of this overall process to both institution and vendor, providing ample response time is crucial to all.

Many **RFPs** request that vendors provide an onsite presentation of their services. These presentations can occur either before the **RFP** is actually issued (generally to help determine which vendors *should* be sent an **RFP**) or after receipt of an **RFP** response to allow the vendor to not only present their services but also to engage in questions and answers pertaining to the **RFP**. In either case, the institution should allow the vendor sufficient time to provide a complete overview of its services while including time to demonstrate any databases germane to the needs of the library. Such presentations should be in a meeting area that offers the necessary audiovisual capabilities (Web access, projector, etc.). Allowing a minimum of two hours presentation time per vendor is considered ideal. Vendors prefer not to be "clustered" into back-to-back timeframes as this can make for awkward transitions (such as one vendor setting up while another is removing equipment). For the audience, viewing back-to-back or multiple presentations in a single day must assuredly be a difficult task at best. When scheduling vendor presentations, it is important to keep in mind that the key vendor personnel who would participate in the presentation are often scheduled weeks in advance. A vendor would prefer to have a minimum of 30 days advance notice for a required appointment to present its services, to ensure that the appropriate vendor team can present and schedule the necessary travel (most major airlines require a 21-day advance purchase to obtain the most competitive fares).

Lastly, (and this might sound rudimentary, but it's important nonetheless) vendors would like to encourage all institutions to please advise them regarding the awarding status of the business. As noted earlier, vendors invest substantial time and financial resources in preparing and delivering a well-thought-out **RFP** response. All vendors submitting **RFP** responses do so with the expectation and optimism that theirs will be the proposal selected. While the end result invariably leaves some vendors disappointed, if they are provided notification that they were not selected, with some explanation as to the factor(s) that led to the selection of another vendor, they at least gain a better understanding of where they might have fallen short and how they can be more competitive in future **RFP** response situations. Just as important, too, is to notify the *selected* vendor of the award. Interestingly, I can recall several instances where substantial numbers of book orders suddenly began arriving at **YBP** as a result of an **RFP** award that we were not officially made aware had been awarded to us. While delighted to have been selected the new monograph vendor for the library, we would have been even more pleased to have had accounts set up to greet the incoming book orders!

In this current period of library budgetary and staffing challenges, the importance of a vendor's thoughtful response to an institution's **RFP** request is more paramount than ever. Perhaps this overview of how vendors generally respond to **RFPs** and other types of tenders will help us mutually achieve our common objective of ensuring the best possible written proposal to address the specific needs of the library.

Books Are Us

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Column Editor's Note: *This column is supposed to cover fiction about people like us — librarians, publishers, vendors, booksellers, etc. All contributions, comments, suggestions are welcome. — **AR***

I digress from "Books Are Us" to "Films Are Us." I recently saw the 1947 film, *Good News* with June Allyson and Peter Lawford, now in DVD (2000, Turner Entertainment and Warner Home Video). June Allyson is working her way through college as the Assistant Librarian (not a student assistant?). She is the "brainiac" who tutors the campus football hero, Peter Lawford. Of course, she falls for him (but it takes the whole movie before he falls for her). In one scene, they sing together, dancing through the library, while she shelves books helter-skelter, not once looking at call numbers, or the books themselves, for that matter. In another scene, she is dressed to catch his eye, in a lace covered form-fitting, yet demure dress, with puffed sleeves, and a Peter Pan collar. One of

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